

COUNCIL OF THE COUNTY OF MAUI

BUDGET AND FINANCE COMMITTEE

March 2, 2012

Committee
Report No. _____

Honorable Chair and Members
of the County Council
County of Maui
Wailuku, Maui, Hawaii

Chair and Members:

Your Budget and Finance Committee, having met on February 14, 2012, makes reference to County Communication 11-327, from the Budget Director, transmitting the following:

1. A proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2012 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES; HANA COMMUNITY PLAN AREA, GOVERNMENT FACILITIES, NAHIKU COMMUNITY CENTER; TOTAL CAPITAL IMPROVEMENT PROJECT APPROPRIATIONS; AND TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)".

The purpose of the proposed bill is to amend the Fiscal Year ("FY") 2012 Budget by adding a \$250,000 appropriation for the Nahiku Community Center project in the Hana Community Plan area.

2. A proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. 3837, BILL NO. 31 (2011), RELATING TO THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI (NAHIKU COMMUNITY CENTER)".

The purpose of the proposed bill is to amend the FY 2012 general obligation bond authorization ordinance by adding \$250,000 for the Nahiku Community Center project in the Hana Community Plan area.

Your Committee notes that the FY 2011 Budget appropriation for the Nahiku Community Center project lapsed on December 31, 2011. Your Committee further notes that the County is in receipt of correspondence dated December 13, 2011, from Governor Abercrombie, informing the County that the State will reconsider a request to provide \$250,000 in matching funds for this project upon receipt of an acknowledgement

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that the Council has re-appropriated \$250,000 of County funds for the Nahiku Community Center.

The Deputy Director of Parks and Recreation informed your Committee that the preliminary cost estimate to complete the project is \$815,000. He said that this request for a \$250,000 appropriation from the FY 2012 Budget would put the State in a position to release matching funds. The remaining \$315,000 required to complete the project will be requested in the FY 2013 Budget.

Your Committee questioned the timing involved in encumbering a contract prior to the release of State matching funds. Your Committee revised the proposed budget bill to add a proviso to ensure that County funds shall not be released for this project until the County receives State matching funds.

Your Committee voted 9-0 to recommend passage of the revised proposed bills on first reading and filing of the communication. Committee Chair Pontanilla, Vice-Chair Hokama, and members Baisa, Carroll, Couch, Cochran, Mateo, Victorino, and White voted "aye".

Your Committee is in receipt of revised proposed bills, approved as to form and legality by the Department of the Corporation Counsel, incorporating your Committee's revisions and nonsubstantive revisions, including adjustments to reflect the expected passage of other pending legislation.

Your Budget and Finance Committee RECOMMENDS the following:

1. That Bill _____ (2012), as revised herein and attached hereto, entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2012 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES; HANA COMMUNITY PLAN AREA, GOVERNMENT FACILITIES, NAHIKU COMMUNITY CENTER; TOTAL CAPITAL IMPROVEMENT PROJECT APPROPRIATIONS; AND TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)", be PASSED ON FIRST READING and be ORDERED TO PRINT;

2. That Bill _____ (2012), as revised herein and attached hereto, entitled "A BILL FOR AN ORDINANCE AMENDING ORDINANCE

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NO. 3837, BILL NO. 31 (2011), RELATING TO THE ISSUANCE OF
GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI
(NAHIKU COMMUNITY CENTER)", be PASSED ON FIRST
READING and be ORDERED TO PRINT; and

3. That County Communication 11-327 be FILED.

This report is submitted in accordance with Rule 8 of the Rules of the Council.



JOSEPH PONTANILLA, Chair

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ORDINANCE NO. _____

BILL NO. _____ (2012)

A BILL FOR AN ORDINANCE AMENDING
THE FISCAL YEAR 2012 BUDGET FOR THE COUNTY OF MAUI
AS IT PERTAINS TO ESTIMATED REVENUES;
HANA COMMUNITY PLAN AREA, GOVERNMENT FACILITIES,
NAHIKU COMMUNITY CENTER;
TOTAL CAPITAL IMPROVEMENT PROJECT APPROPRIATIONS; AND
TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)

BE IT ORDAINED BY THE PEOPLE OF THE COUNTY OF MAUI:

SECTION 1. Ordinance No. 3840, Bill No. 34 (2011), Draft 1, "Fiscal Year 2012 Budget", as amended, is hereby amended as it pertains to Section 2, Estimated Revenues, by increasing Bond/Lapsed Bond Fund in the amount of \$250,000; and by increasing Total Estimated Revenues in the amount of \$250,000, to read as follows:

"ESTIMATED REVENUES

FROM TAXES, FEES AND ASSESSMENTS:

Real Property Taxes		208,876,794
Circuit Breaker Adjustment		(1,337,612)
Charges for Current Services		108,609,034
Transient Accommodations Tax		17,500,000
Public Service Company Tax		6,000,000
Licenses/Permits/Others		25,275,088
Fuel and Franchise Taxes		17,550,000
Special Assessments		5,754,224
Other Intergovernmental		31,727,752

FROM OTHER SOURCES:

Interfund Transfers		40,180,755
Bond/Lapsed Bond	[26,078,189]	<u>26,328,189</u>
Carryover/Savings:		
General Fund		57,970,909
Sewer Fund		9,010,527
Highway Fund		5,770,547
Solid Waste Management Fund		2,421,399
Golf Fund		(1,224,964)
Liquor Fund		697,021
Bikeway Fund		275,000
Water Fund		<u>7,494,768</u>

TOTAL ESTIMATED REVENUES [568,629,431] 568,879,431"

SECTION 2. Ordinance No. 3840, Bill No. 34 (2011), Draft 1, "Fiscal Year 2012 Budget", as amended, is hereby amended as it pertains to Section 4.D.1., From the Bond Fund, by adding an appropriation under the Hana Community Plan Area, Government Facilities, entitled, "Nahiku Community Center", in the amount of \$250,000, to read as follows:

- "D. From the Bond Fund
1. Hana Community Plan Area
 - a. Road Improvements (and related improvements, beautification, sidewalks, bike paths, drainage, bridge repairs and maintenance, safety and utilities, accessibility for persons with disabilities) including:
 - 1) Kahawaiokapia Bridge Rehabilitation 1,300,000
 - b. Sanitation
 - (1) Hana Landfill Detention Pond 500,000
 - c. Government Facilities
 - (1) Nahiku Community Center 250,000"
 - (i) Provided, that no County funds shall be released for this project until a notification of grant award from the State is received for this project.

SECTION 3. The Total Capital Improvement Project Appropriations is amended to reflect an increase of \$250,000, to read as follows:

"TOTAL CAPITAL IMPROVEMENT PROJECT APPROPRIATIONS [104,952,430] 105,202,430"

SECTION 4. The Total Appropriations (Operating and Capital Improvement Projects) is amended to reflect an increase of \$250,000, to read as follows:

"TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS) [568,629,431] 568,879,431"

SECTION 5. Material to be repealed is bracketed. New material is underscored.

SECTION 6. This Ordinance shall take effect upon its approval.

APPROVED AS TO FORM AND LEGALITY:


 SCOTT HANANO
 Deputy Corporation Counsel

ORDINANCE NO. _____

BILL NO. _____ (2012)

A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. 3837,
BILL NO. 31 (2011), RELATING TO THE ISSUANCE OF
GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI
(NAHIKU COMMUNITY CENTER)

BE IT ORDAINED BY THE PEOPLE OF THE COUNTY OF MAUI:

SECTION 1. Ordinance No. 3837, Bill No. 31 (2011), as amended, is amended by amending Section 1 to read as follows:

"SECTION 1. Authorization of General Obligation Bonds. Pursuant to Chapter 47, Hawaii Revised Statutes, as amended, and particularly Part I thereof, there are hereby authorized to be issued and sold from time to time general obligation bonds of the County of Maui, State of Hawaii (the "County") in an aggregate principal amount not to exceed [~~\$20,555,497~~] \$20,805,497 (the "Bonds"), the proceeds derived from the sale of which shall be used to pay all or part of the cost of appropriations for the public improvements of the County described in Section 2 hereof."

SECTION 2. Ordinance No. 3837, Bill No. 31 (2011), as amended, is amended by amending Section 2 to read as follows:

"SECTION 2. Disposition of Bond Proceeds. All or any portion of the proceeds derived from the sale of the Bonds or any notes issued in anticipation of the Bonds shall be used to pay all or part of the cost of any of the public improvements listed below in accordance with appropriations contained in the Fiscal Year 2012 Budget, including amendments and supplements thereto, duly approved by the Council of the County (the "Council") for the fiscal year ending June 30, 2012 (the "Fiscal Year 2012 Budget"); provided, however, that pursuant to Section 47-5, Hawaii Revised Statutes, the part of such proceeds which are in excess of the amounts required for the purposes for which the Bonds are initially issued from time to time, or which may not be applied to such purposes, or which the Council deems should not be applied to such purposes, may be applied to finance such other public improvements of the County as the Council shall, by ordinance approved by an affirmative vote of two-thirds of all of its members, determine; and provided further that the actual use and application of the proceeds of Bonds issued pursuant to this ordinance shall not in any way affect the validity or legality of such Bonds. No proceeds of the Bonds shall be applied to any public improvement listed in this section unless and until there shall be a valid appropriation of general obligation bond proceeds in effect for such public improvement. The public improvements provided for or to be provided for in the

Fiscal Year 2012 Budget, to be financed with proceeds from the sale of the Bonds, are as follows:

Public Improvements:

Estimated Project Cost

1.	Hana Community Plan Area	
a.	Road Improvements (and related improvements, beautification, sidewalks, bike paths, drainage, bridge repairs and maintenance, safety and utilities, accessibility for persons with disabilities) including:	
	(1) Kahawaiokapia Bridge Rehabilitation	\$ 1,300,000
b.	Sanitation	
	(1) Hana Landfill Detention Pond	\$ 500,000
c.	<u>Government Facilities</u>	
	(1) <u>Nahiku Community Center</u>	<u>\$ 250,000</u>
2.	Paia-Haiku Community Plan Area	
a.	Drainage	
	(1) Haiku Road Drainage Improvements	\$ 2,000,000
3.	Makawao-Pukalani-Kula Community Plan Area	
a.	Water Supply	
	(1) Kamaole Tank Replacement	\$ 2,000,000
4.	Wailuku-Kahului Community Plan Area	
a.	Government Facilities	
	(1) Wailuku Baseyard Garage Repair	\$ 600,000
	(2) Old Wailuku Post Office Rehabilitation	\$ 1,500,000
b.	Sanitation	
	(1) Central Maui Solid Waste Facility	\$ 1,500,000
5.	West Maui Community Plan Area	
a.	Drainage	
	(1) Lahaina Watershed Flood Control	\$ 2,600,000
b.	Road Improvements	
	(1) Lower Honoapiilani Road Improvements	\$ 1,000,000
c.	Sewer	
	(1) West Maui Re-use System Improvements	\$ 586,805
d.	Water Supply	
	(1) West Maui Source Improvements	\$ 2,500,000
6.	Countywide	
a.	Drainage	
	(1) Countywide Drainage Improvements	\$ 2,000,000

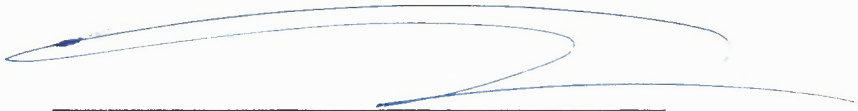
- b. Government Facilities
 - (1) Public Safety Radio System Replacement \$ 1,468,692
- c. Parks and Recreation
 - (1) Countywide Parks Americans with Disabilities Act (ADA) Improvements \$ 1,000,000

The cost of issuance of the Bonds or any series thereof, including without limitation, the initial fee of paying agents and registrars, the fees of financial consultants and bond counsel, the cost of preparation of any Official Statement relating to the Bonds, any notices of sale and forms of bid and the definitive Bonds, and the costs of publication of any notices of sale, may be paid from the proceeds of the Bonds or any series thereof and such costs shall be allocated pro rata to each of the foregoing projects financed from such proceeds."

SECTION 3. Material to be repealed is bracketed. New material is underscored.

SECTION 4. This ordinance shall take effect upon its approval.

APPROVED AS TO FORM
AND LEGALITY:



SCOTT K. HANANO
Deputy Corporation Counsel
County of Maui

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